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INFO RUCNIRA/IRAN COLLECTIVE
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NOFORN
SIPDIS

DEPARTMENT FOR NEA/ARP, NEA/I, AND EEB/CIP/BA

E.O. 12958: 06/15/2019
TAGS: [ECPS](#) [PGOV](#) [IR](#) [AE](#)
SUBJECT: ETISALAT LOSES IRAN LICENSE OVER MANAGEMENT DISPUTE

CLASSIFIED BY AMBASSADOR RICHARD G. OLSON FOR REASONS 1.4 B AND D

REF: ABU DHABI 138

11. (C) On June 14, Etisalat Chairman Mohammed Omran told the Ambassador that Etisalat was declared disqualified for Iran's third mobile license (reftel) after a dispute with its Iranian partner (Tameen Telcom) over management control. Omran said Etisalat always insists on management control of its foreign investments; a reclama to Iranian authorities on Tameen Telcom's decision had failed. Although Etisalat thought the results of the Iranian election could affect its bid, Omran noted that Iran had already begun discussions with other bidders.

12. (C) Omran told the Ambassador that Etisalat (Emirates Telecommunications Corporation, www.etisalat.ae) was interested in Iran given its large market size and low mobile and Internet penetration. He said Etisalat had consulted with the UAE government before bidding and was told that it could proceed with its "business decision" to bid.

13. (C) Comment: While Iran's problematic relationship with the UAE may have played a role in Iran's decision not to go with Etisalat, Etisalat clearly remains interested in the license and disappointed the deal has fallen through. There is no indication the UAEG pressured Etisalat to pull out. End Comment.
OLSON